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PASS TO STATE FOR S/CT (Robertson), WHA/CAN (Fox)
WHITEHOUSE FOR HSC
DHS for International Affairs
DHS FOR INFRASTRUCTURE PROTECTION
DOE FOR P&I

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SUBJ: CI/KR RESPONSE FOR S/CT - CANADA -
CORRECTED VERSION - FORMAT CORRECTED

REF: STATE 6461

¶1. (U) Summary: The economies, societies and environments of Canada and the United States are inextricably intertwined; the relationship is most easily reflected in the staggering volume of bilateral trade, over US$1.5 billion a day in goods, and the 300,000 people who cross the shared border every day to work or visit. Moreover, Canada is the single largest foreign supplier of fossil fuels to the United States (providing 17 percent of U.S. oil imports and over 80 percent of U.S. natural gas imports). Our food and agriculture markets are almost completely integrated, with Canada accounting for about 20 percent of total US agri-food imports. In addition our two countries' financial markets and telecommunications and electrical networks are highly interconnected. As a consequence of this exceptional interrelationship a disruption to Canada's critical infrastructure (CI) could have an immediate and deleterious impact on the United States. Because it would be virtually impossible to provide an exhaustive accounting of Canada's CI, this cable gives illustrative examples of CI in various sectors. Protection of CI is a Canadian national priority, and Canada is a close and trusted partner with the United States in working to protect CI in North America. End summary.

CANADA'S APPROACH TO CI

¶2. (U) Like the United States, Canada's critical infrastructure consists of physical and information technology facilities, networks, services and assets essential to the health, safety, security or economic well-being of its citizens, or to the effective functioning of government. In many respects, the two countries should be viewed as sharing the same infrastructure (pipelines, bridges, power and phone lines) sprawling across a shared economic space. As in the United States, it is estimated that most (between 85 and 95 percent)of Canada's critical infrastructure is owned and operated by private sector firms, which therefore bear primary responsibility for the development and implementation of business continuity plans. In addition to the federal government's role, the provinces and territories also have a significant jurisdictional role in critical infrastructure protection and emergency management. These government entities also own and regulate some critical infrastructure.

¶3. (U) Canada has established the National Critical Infrastructure Assurance Program (NCIAP) - an ongoing collaboration between private sector partners and federal, provincial and territorial governments

- to provide a national framework for cooperative action and to build a resilient national critical infrastructure. The federal government classifies critical infrastructure within ten sectors, as opposed to the USG classification system of 17 critical infrastructure/key resources sectors.

¶4. (U) The 10 Canadian sectors are:

-- Energy and Utilities (e.g., electrical power, natural gas, oil production/transmission)

-- Information and Communications Technology (e.g., telecommunications, broadcasting systems, software, hardware, and networks including the Internet)

-- Finance (e.g., large-value payment, securities clearing and settlement systems)

-- Health Care (e.g., hospitals, blood-supply facilities and pharmaceutical manufacturers)
Qpharmaceutical manufacturers)

-- Food (e.g., safety, distribution, agriculture and food industry)

-- Water (e.g., drinking water and wastewater management)

-- Transportation (e.g., road, rail, marine, and aviation)

-- Safety (e.g., chemical, biological, radiological and nuclear safety, dangerous goods, search and rescue, emergency services and dams)

-- Government (e.g., services, facilities, information networks and key national monuments)

-- Manufacturing (e.g., defense industrial base, chemical industry)

COOPERATION WITH THE UNITED STATES

¶5. (U) At the federal government level, the Public Safety Canada is responsible for national CI policy. Public Safety Canada works primarily with the U.S. Department of Homeland Security (particularly with the Office of Critical Infrastructure Protection) on the identification of shared CI, threat analysis and response planning; since 2005, under the auspices of the SPP. We understand that Public Safety Canada and DHS have recently collaborated on a detailed threat analysis of shared CI. Post would welcome a copy.

EXAMPLES OF CANADIAN CI/KR (USG CATEGORIES)

¶A. (SBU) Banking & Finance - Canada's five main nationwide banks own substantial U.S. subsidiaries and do large amounts of business in U.S. currency. Toronto, which is less than an hour's drive from Buffalo, hosts the world's seventh largest stock exchange, and hundreds of securities are co-listed on both the Toronto and New York Stock Exchanges. A major disruption of financial business in Toronto would be felt instantly on U.S. markets.

¶B. (SBU) Chemical & Hazardous Materials - Canada's main petrochemical complex is at Sarnia, Ontario, opposite Port Huron, Michigan, where major oil and gas pipelines from western Canada terminate. Sarnia and Port Huron are both relatively small towns and they share resources, such as chemical spill response teams, in emergencies. Also, Canada is the world's largest single producer of uranium, accounting for about one-third of the world's uranium mine output. Cameco's refinery at Blind River, Ontario takes uranium oxide concentrate (U3O8) from mines in Canada and abroad and refines it to UO3, an intermediate product. The UO3 is trucked to Port Hope, Ontario (on the shores of Lake Ontario) where Cameco has about one-quarter of the Western world's uranium hexafluoride (UF6) conversion capacity - 12,400 metric tons per year. The uranium hexafluoride is then shipped outside Canada for enrichment

(including in the United States) for use in light water reactors. Disruption of uranium mining activities in Saskatchewan or the milling and conversion facilities in Ontario could impact fuel supply for American nuclear power plants. Destruction, disruption or exploitation of the Port Hope plant could lead to radiological contamination of American territory in New York state.

¶C. (SBU) Defense Industrial Base - The "Stryker" armored vehicle for the U.S. Army is built by General Dynamics; the structure, fabrication and final assembly of the "Stryker" takes place in London, Ontario (and also at Anniston, Alabama). Disruption at the Ontario plant would impact acquisition and deployment of the "Stryker."

¶D. (SBU) Emergency Services - Response plans exist at the federal, state/provincial and local levels to deal with cross-border emergency response. For example, The Joint Inland Pollution Contingency Plan is aimed at developing a coordinated and integrated response between Canadian and United States governments to pollution incidents and Mutual Aid pacts exist at the local level between towns in the U.S. and in Canada, as in Port Huron - Sarnia (see B above). Were these cross-border services disrupted, adequate Qabove). Were these cross-border services disrupted, adequate emergency response might be otherwise unavailable.

¶E. (SBU) Energy - Canada is the largest source of U.S. imports of oil, natural gas, electricity and uranium; the United States exports electricity, coal and petroleum products to Canada. This energy trade is carried by a shared web of oil and gas pipelines, and our interconnected electricity grid. On the Canadian side of the border, the private sector owns over 85 per cent of the energy infrastructure. Our interdependent relationship was highlighted dramatically in August, 2003, when approximately 50 million people in Ontario and seven U.S. states suffered a blackout of more than 48 hours due to a failure of our shared electricity grid (precipitated by a fault at an Ohio power plant).

¶F. (SBU) Food & Agriculture - Canada and the United States are engaged in a high volume of trade in agricultural products and seafood; the potential impact on the U.S. of agro-terrorism or bioterrorism at a Canadian food facility would be correspondingly

high. The top five agri-food imports into the U.S. from Canada are: baked goods (including pasta and breakfast cereals), beef, beverages, vegetables and pork.

¶G. (SBU) Information Technology - Millions of Americans rely on the BlackBerry device produced by Research in Motion (RIM) of Waterloo, Ontario; its network operations center in Ontario processes every e-mail message to or from a BlackBerry. In early February 2008 more than 5 million users were left without BlackBerry connectivity for up to 24 hours during a technical upgrade, underscoring the cross-border impact of any disruption to RIM's Ontario facilities.

¶H. (SBU) National Monuments & Icons - Niagara Falls is located on the Ontario-New York border and ranks high as a "North American" icon (the Canadian "Horseshoe falls" is probably the most picturesque portion). Disruption at this locale would likely have wide-ranging psycho-social impacts.

¶I. (SBU) Postal & Shipping - The St. Lawrence Seaway, jointly managed by the U.S. and Canada, with its system of locks allows ocean-going vessels to move between the high seas into the Great Lakes, and facilitates ship-borne commerce between American and Canadian ports on the Great Lakes. Almost 50 percent of Seaway traffic travels to and from overseas ports, especially those in Europe, the Middle East and Africa. Disruption on the seaway would create a cascade of logistics problems for many shippers in the Great Lakes states.

¶J. (SBU) Public Health and Healthcare - Approximately 3,500 Canadian health care workers commute to the Detroit region on a daily basis, and that number is expected to increase as Michigan health care facilities continue recruiting in Canada due to an ongoing nursing shortage. Disruption of this commute (via disinformation, attacks on transport or bridges, for example) would directly and immediately impact health care for thousands of Michigan residents.

¶K. (SBU) Telecommunications - Canadian telecoms companies carry Canadian defense communications into the U.S. where they link up with U.S. networks. Canadian financial institutions with large U.S. holdings and operations (e.g. Bank of Montreal with Harris Bank; Toronto Dominion with TD Banknorth; and Royal Bank of Canada with Centura) use Canadian telecom networks to relay critical financial data. Much command and control functionality for cross-border electricity grids and pipelines is carried on Canadian telecoms networks. Disruption to telecoms systems in Canada would have immediate and deleterious effect on United States interests.

¶L. (SBU) Transportation - The value of goods transported annually across a single bridge, the Ambassador bridge, between Detroit, Michigan and Windsor, Ontario (valued at approximately US$108 billion in 2006), is more than the entire annual merchandise trade between the United States and the United Kingdom (US$98 billion in 2006). Destruction or disruption of this bridge would have a significant impact on, inter alia, the highly integrated North American automotive industry.

¶M. (SBU) Water - The Point Roberts Water District in Washington state draws 840,000 gallons of water per day for its residents from the Greater Vancouver Water District (GVWD) from a reservoir located in Delta, British Columbia. Disruption of this supply would create Qin Delta, British Columbia. Disruption of this supply would create significant distress for the population of this diminutive United States exclave.

¶N. (SBU) Commercial Facilities - NAVCanada (NAVCAN) is the private, not-for-profit operator of Canada's civil air navigation system; NAVCAN manages all transatlantic air traffic in the airspace immediately west of Iceland and North American landfall. Disruption of this service would affect (cancel or postpone) hundreds of transatlantic flights per day.

¶O. (SBU) Dams - Three dams in British Columbia regulate the flow of the Columbia River into the United States. The Mica, Hugh Keenleyside and Duncan dams were built as a result of the Columbia River Treaty, signed by Canada and the United States in 1964. The Treaty dams provide flood control, and they are essential to the maintenance of power generation at hydro-electric plants in the United States. Flooding and/or loss of electricity generation capacity in the United States could result if the dams were destroyed or otherwise exploited.

¶P. (SBU) Government Facilities - NORAD, the North American Aerospace Defense Command, is an integrated bi-national United States and Canadian organization charged with the missions of aerospace warning and aerospace control for North America. One of three subordinate regional HQs is located in Canada, at Winnipeg, Manitoba (the other two regional HQs are in Alaska and Florida).

¶Q. (SBU) Nuclear Power Plants (NPPs)- In Ontario ten operating nuclear reactor units are situated at Pickering and Darlington on Lake Ontario facing New York State (roughly 60 miles north-east of Buffalo). Another six operating nuclear reactor units are situated on the shores of Lake Huron, adjacent to Lake Superior. One nuclear reactor is located in New Brunswick adjacent to the Bay of Fundy, about 45 miles from the New Brunswick-Maine border, and one is situated in Quebec on the south shore of the St. Lawrence River about 100 miles north of the Quebec-Vermont border. If an NPP containment facility was breached and radiological materials were released some contamination of U.S. territory (land or water) might be expected.

¶6. (SBU) Comment: The inventory of critical infrastructure and key resources that we have compiled here is illustrative, not exhaustive. Post believes that a more comprehensive listing might be obtained from the Department of Homeland Security.

¶7. (U) This message was cleared with DHS Attach at Mission Canada. Wilkins